

2015 Industrial Revitalization Fund

Application Instruction Manual



**VIRGINIA DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT**
Partners for Better Communities

Virginia Department of Housing and Community Development
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INTRODUCTION

The General Assembly has allocated \$2 million for Fiscal Year 2015 (FY '15) to be used for the strategic redevelopment of vacant and deteriorated industrial properties across the Commonwealth. For the purposes of this program, the term “industrial” will be considered to mean any large-scale, non-residential structure. Remnants of past economic vibrancy and local economies in transition, these structures are no longer suited for their former purpose, and in their current deteriorated condition, stand as significant deterrents for future economic opportunity in the surrounding area and region.

Financial barriers typically block the timely redevelopment of these structures and often they require more than local resources to attract private sector investment in order to make a deal cash flow. This is especially true in distressed areas. Therefore, the \$2 million allocation is meant to leverage local and private resources to achieve market-driven redevelopment of these structures, creating a catalyst for long-term employment opportunities and on-going physical and economic revitalization. Eligible properties and structures must be vacant and deteriorated and may be redeveloped for any market-driven purpose including mixed-use, regardless of the original use.

Availability of Funds

The \$2 million available in FY '15 is a one-time allocation to replenish the Virginia Derelict Structures Fund (DSF) established under 36-152 of the Code of Virginia. The Virginia Department of Housing & Community Development administers these funds under the Industrial Revitalization Fund (IRF) Program.

Award Amounts

The maximum IRF award is to \$600,000 per project. A project may apply for less; however, IRF awards may not be used as a substitute for other funds the applicant has already committed to a project. IRF awards require at least a 1:1 match.

ELIGIBILITY

Eligible Applicants

Only local governments (cities, counties, or towns) and regional or local economic or industrial development authorities may submit applications for funding. A unit of local government may apply directly for funding to use on publically owned property OR on behalf of a private developer for privately owned property.

- **A local government may apply for an IRF GRANT under the following conditions:**
 - If the property is publically owned;
 - If the privately owned property has an option agreement/contract in place for purchase at time of the application; or
 - The private property is owned by a non-profit entity.

Upon resale of property to private, for-profit entity, DHCD will require repayment of prorated grant amount. Localities may designate a redevelopment authority or another similar organization as an agent for project implementation and administration.



- A local government **MUST** apply for an **IRF LOAN** on behalf of a private, for-profit entity for use on privately owned property under the following conditions:
 - Financing to complete the entire project as specified in the IRF application has been secured as evidenced by formal letters of interest, term sheets, or commitment letters;
 - Projects must be ready to close on the IRF loan within three to six months of DHCD's project award notification. IRF loans may close simultaneously with the first trust lender for primary financing or after, however, IRF loans **will not close before** all other sources of primary financing are closed or commitment letters with a closing date have been issued. Failure to close within six months will result in the IRF funds being reprogrammed to another project. The applicant will be given the opportunity to apply again once the project is more prepared for IRF loan closing. DHCD has the discretion to award extension beyond six months but only under certain circumstances for delays that are not under the developer's control; and
 - All IRF loans will be underwritten by Virginia Community Capital (VCC). The following standard terms and conditions will apply to all projects unless VCC and DHCD determine that a regionally significant project requires more favorable terms.
 - Interest Rate: 2.5%
 - Amortization: 10 Years
 - Commitment Fee: 1% (50% due within 14 days of execution of IRF agreement and remainder due at IRF closing.)

Match

To demonstrate project viability and the applicant's commitment, applicants are required to provide a 100 percent (1:1) local match from private or public sources. The match must either be cash or documented costs that are directly associated with the work being done on the property where IRF funds are expended. Local match may also include federal (CDBG or other), local, and private funds spent on activities directly related to the targeted project on or after July 1, 2013.

A locality may use as local match an additional five (5) percent out-of-pocket administrative costs. The use of the additional five percent of administrative costs as local match must be outlined in the application.

Example: An applicant that is seeking a \$300,000 IRF grant must provide a match of at least \$300,000. Local match greater than 100 percent will increase the application's score.

Eligible Match:

- Acquisition costs
- Documented costs **directly** associated with **physical activities** on the IRF project site
- Indirect costs related to engineering, design or architectural activities (must be specifically identified in the application)
- Public notices, permit or dumping fees and inspections costs (or waivers of such) directly related to physical activities (must be specifically identified in the application)

Ineligible Match:

- State or local taxes
- Site remediation
- Interest or principal payments on current debt on the property

Eligible Use of Funds

The IRF program is flexibly designed so that funds can be used for a wide variety of revitalization and redevelopment activities such as **acquisition, rehabilitation, or repair** (including securing and stabilizing for subsequent reuse) of specific structures, as well as **demolition, removal**, and other **physical activities**.

In the case of acquisition, DHCD will limit its financial participation to the property's fair market value and the associated legal costs of acquisition. IRF funds may also be used for the legal costs associated with demolition. However, funds may not be used **solely** for acquisition or demolition unless it can be demonstrated that the locality has committed other redevelopment funds to the property, and there is a market-based redevelopment plan in place that outlines possible reuse options, target markets/niches, and a property marketing strategy including the entity responsible for implementation. In addition, action must be taken by the locality to improve the property's readiness for redevelopment. Generally, demolition should be used only in circumstances where the size or location of a building precludes any significant redevelopment potential or in cases where there is an imminent safety threat.

Site remediation is **not** an eligible activity for IRF. Virginia's Department of Environmental Quality offers several programs to assist with remediation and environmental assessment including the Voluntary Remediation & Brownfields Programs. Visit <http://www.deq.virginia.gov/> for more information.

Eligible Properties

The program is targeted toward (functionally) **vacant and deteriorated** properties whose poor condition creates a notion of physical and economic blight in the surrounding area. Projects may consist of multiple properties provided they are adjacent and/or adjoining and are related in either their negative impact (e.g., three adjacent severely deteriorated downtown buildings that create a negative impact on the remainder of the block) or end use (e.g., rehabilitation of an abandoned warehouse into a shell building with purchase of adjacent property for parking.)

Eligible properties and structures may be redeveloped for any market-driven purpose including mixed-use, regardless of the original use.

Former Use:	
Eligible	Ineligible
<ul style="list-style-type: none">• Manufacturing• Warehousing• Mining• Transportation• Power production• Department stores• Theaters• Hotels• Shopping centers	<ul style="list-style-type: none">• Solely residential• Scattered site projects

FUND ACCESS

In the case of **GRANTS** to units of local government, a contract between DHCD and the applicant outlining end products, conditions, fund disbursement and termination must be executed before any funds are disbursed. Funds may only be used for **expenses incurred after the signing of the contract**. IRF grant funds are available on a **reimbursement basis only**. Funds may be drawn down to **reimburse costs** the applicant has incurred and paid for.

In the case of **LOANS** to private entities, IRF funding will be released to the private developer pro-rata with other funders or once other sources are expended. This will be determined in discussion with developers upon DHCD's award notification.

Funding Priorities

The ultimate intent of the IRF program is to fund **ready-to-go** projects that will act as a catalyst to spark additional private investment and job creation in distressed areas that have been targeted for economic development and community revitalization as part of a larger economic restructuring strategy. Based on that intent, DHCD has established the following funding priorities:

1. Clear relationship to a local or regional economic development strategy

Applicants must identify the economic development strategy that the proposed project will support. This strategy should be an element of an existing redevelopment, blight removal, or economic development plan. Applicants must explain what is currently being done in the area and how the IRF funds will supplement and expand this ongoing economic development and restructuring process. In other words, how does this IRF project enhance the economic restructuring and development activities of the community and region?

2. High degree of blight and deterioration to be addressed

Applicants must describe the extent of the deterioration and identify the negative impact the property is having in the community. DHCD is seeking to invest in properties that will address their negative impact on the community's ability to attract private investment and job creation to areas beyond the specific location of the property. Applicants must demonstrate that addressing the property is a local priority, and projects that seek to repurpose the property will be given more consideration over projects that focus on demolition/site clearance.

3. Project readiness with a clear end use

DHCD will give greatest priority to projects that will lead to the efficient and **immediate** redevelopment/re-use of blighted properties. Therefore, successful applicants will be able identify a tangible end-use to be completed in a reasonable amount of time. In the case of private developers, projects that can demonstrate "readiness to proceed" will be given the greatest consideration. Readiness to proceed is demonstrated by having finalized plans and **primary financing** in place (formal letters of interest, term sheets or letters of commitment) for an identified **end-use/user**. Projects that can show the ability to close on the IRF loan within six months of an IRF award notification will be the most competitive for funding. Projects on publically-owned property or property owned by a non-profit will also receive more favorable consideration with evidence of the availability of funding to complete the project.

4. End use will have a clear and significant economic impact

Applicants must describe how the project will have a clear positive economic impact on the area. Applicants must demonstrate how the completion of the IRF project will be a catalyst to larger economic revitalization efforts in the locality and region.



5. Higher degree of applicant economic distress

Extra consideration will be given to projects located in communities that are experiencing higher degrees of distress. This will be based on three measures below, using data from the U.S. Census Bureau and the Virginia Employment Commission. Scoring will be weighted based on the number of distress measures the locality is experiencing.

- a. **Poverty rate** of at least 150 percent of the state average (17.7%);
- b. **Median household income** of 70 percent of the state average (\$43,247); and
- c. **Unemployment rate** of at least 150 percent of the state average (8.25%)

See [Appendix A](#) for pre-calculated scores for all cities and counties. Towns may use the distress score of the county, or they may calculate their own based on the town's Census tracts, whichever method provides the higher distress score. Guidance on where to find the necessary data is provided on [page 10](#).

Other Considerations

DHCD encourages localities to apply for projects that will have a strong significance to the broader community and region, in areas of ongoing or identified redevelopment/revitalization. Applicants will receive up to **5 bonus points** for projects that meet the following characteristics:

- Part of a significant **regional focus**. This includes projects located in an area covered by a revenue sharing agreement or projects cited in a formal regional economic development plan.
- Eligibility for local real property tax abatements (\$58.1-3221) or other **local incentives** to encourage investment.
- Location in an **Enterprise Zone** and ability to qualify for the state and local incentives. **IRF loans** may be included in the Enterprise Zone RPIG calculation; however, **IRF grants** must be backed out.
- Location in a designated **Virginia Main Street** community, a local, state or federal **historic district**, a **redevelopment or blight removal district**, a **Technology Zone**; or other similar district.
- Location in a current **CDBG project area**.

Prioritization

A locality may only submit one application per funding round; therefore localities must identify and authorize the project that will have the most meaningful impact on local community revitalization and economic development efforts. As such, a resolution from the local governing body authorizing the request for funding is an application requirement. If the locality is applying on behalf of a non-profit or private for-profit, the resolution should indicate the specific match amount and identify the entity that will be responsible for coming up with the match funds.

SUBMISSION REQUIREMENTS

Applications for IRF funding must be submitted through DHCD's Centralized Application Management System (CAMS). You can access CAMS using the following link: <https://dmz1.dhcd.virginia.gov/camsportal/Login.aspx>

In order to access CAMS and complete an application for funding, a locality must establish a CAMS profile. A profile request can be made by going to the CAMS site and selecting the **"Registration"** option. In order to register your organization, you will need your organizations DUNS number and FEIN number. Please allow up to five business days for DHCD to process and approve your registration request.



Once your organization has been registered, you may log in with your username and password and select the **“Applications and Programs”** option. From this page, select the **“Apply”** option and select **“Industrial Revitalization Fund”** from the dropdown menu. A description of the program will appear. Click the **“Apply”** button next to the pencil icon to begin an application.

As you complete the application, be sure to save each page. You have the option to close out of CAMS and return to the application at any time until the application is submitted or the deadline has passed.

If you need assistance with the registration or completion of the application in CAMS, please send an email request to the CAMS help team through the **“contact us”** link at the bottom of every page in CAMS. Someone will contact you as soon as possible to provide needed assistance.

APPLICATION INSTRUCTIONS

All 2015 applications for IRF funding must be submitted through CAMS. Complete each tab as indicated below:

Project Budget and Budget Narrative

Complete the **Project Budget** and discuss the funding for the proposed project in the narrative section. Identify ALL activities that need to be undertaken in order to return the property to economic use. In the case of activities whose costs will be paid for by funds other than IRF, use the *“Other”* category. In the narrative, please list the specific source of non-IRF funds. You will be able to discuss these activities and other sources of funding in more detail and attach funding documentation later in the application.

Project Overview

Think of the narrative of this section as the executive summary of the project.

1. Discuss the overall project, intended end-use and the specific activities to be undertaken. . Indicate if the IRF project is the project in its entirety or a phase of a larger project.

The following questions relate to Funding Priorities 1 and 2:

2. Discuss any local and regional economic development strategies or plans and explain how the project ties in with identified goals/outcomes.
3. Discuss the rationale for the selection of the targeted property versus other vacant and deteriorated properties in the locality.
4. Discuss the impact of the property in its current condition on investment and job creation in the surrounding blocks/area.
5. List any public or private investment/initiatives that have taken place or will take place in the vicinity of the project that will help support the project’s success during the following timeframes:
 - a. Within the past two years (Will these investments be used as match?)
 - b. Currently underway
 - c. Within next two years

The following questions relate to Funding Priorities 3 and 4:

6. What is the plan for the end-use of the property? Provide evidence of its economic viability and cite and include relevant sections of market research, pro-forma, or other economic viability research. A performance agreement will be required to ensure the property remains in service for a negotiated amount of time.
7. Please indicate the number full-time and part-time jobs (associated with the end-use, not construction) that will be created as a result of this project and discuss how this was determined.
8. Discuss how end-users will be recruited and discuss/document interest or commitments to-date from possible end-users.
9. Provide the anticipated operating budget once project is stabilized. What are the sources of revenue that will support the operation of this facility? Discuss how the facility will be managed upon completion.
10. Identify the current property owner and anticipated developer.
11. Discuss the developer's capacity. Provide examples of previous projects. Discuss the capability of the developer to secure primary financing, market, lease, and manage the property. Remember that the expectation is that the IRF loan will close within six months of award notification. The IRF loan will close after or simultaneously with all other primary financing. IRF financing is not meant to be the first money in.
12. If a developer has not been identified, what is the process to be used to secure a developer? What assurances can be provided to demonstrate that a developer can be secured in a timely manner? When do you expect this to happen? Please note that priority will be given to projects that can show the greatest readiness to proceed.
13. Provide a month-by-month timeline of the specific activities that need to occur to get from application submission to closing on the IRF loan or grant to construction to project occupancy.
 - a. Has primary financing been secured?
 - b. Does the property need to be rezoned for the intended use?
 - c. Is the design finalized?
 - d. Do the developers need to find buyers for New Market Tax Credits or Historic Tax Credits?
Projects should determine which activities the IRF funds will be used for in a Tax Credit deal.
 - e. Potential obstacles to completion? Please list and address in the timeline.
14. List the source, amount, and status of all matching funds in the project. See the Match Section earlier in the application to determine eligible sources. Remember the program requires a 1:1 match. Successful applicants will be required to document a 1:1 match for each draw down of IRF funds.

Other Considerations:

15. Is this project (A) in a revenue sharing district and/or (B) cited in a formal regional economic development plan or as part of a formal regional development strategy?



- If (A) show the district on an attached map and provide the section of the revenue sharing agreement detailing each locality's responsibilities.
- If (B) provide the section of the plan/strategy that references the project.

- 16.** Is this project is eligible for local real property tax abatement (§ 58.1-3221) or other local incentives to encourage property re/investment? If so, please attach copies of the appropriate ordinance outlining the parameters of the abatement. If the abatement is only available in a special district, please show and label the district on the base map.
- 17.** Is this project is located within an Enterprise Zone (boundaries of which must be shown on an attached map) and able to qualify for State and/or Local incentives? Please list all available incentives.
- 18.** Is this project is located in a current CDBG project area?
- 19.** Is this project is located within a special district? If so, please show the district boundaries on an attached map and attach documentation on the district. "Special districts" include:
- a. Designated Main Street districts
 - b. Local, state or federal historic districts
 - c. Redevelopment or blight removal districts
 - d. Technology Zones
 - e. Tourism Zones
 - f. An area being addressed through Volume II Section 105.0 of the VA Uniform Statewide Building Code (under Code of Virginia Sec. 36-105). Please attach a copy of the official action that indicates which sections are enforced and who has been assigned responsibility of enforcement.

Required Attachments

Local Assurances and Authorization:

Please complete as indicated. The *Chief Administrative Officer* for the locality must sign to certify that the information in this application is accurate and correct.

A resolution must be prepared and passed by the governing body of the locality authorizing the application for Industrial Revitalization Funds for the specific property (address will be sufficient) and documenting the **specific dollar amount in IRF Grant matching funds** from the locality and other sources. If the locality is applying on behalf of a non-profit or private for-profit entity, the resolution should document the specific match amount and indicate that it is the responsibility of that entity to come up with the match.

Property Information

- **Property Description Sheet:** Complete one sheet per structure to be addressed using IRF. Be as quantitative and specific as possible and define any terms used by the jurisdiction for classifying the structure's physical condition ("substandard" or other such terms). A strong application will provide a clear idea of the physical need for IRF resources. Scattered site projects are ineligible. See example on page 9.

- **Photographs:** Include no more than 9 images of each subject property. Be sure to include images showing the following:
 - Façade and every other face that shows deterioration (no more than 5 images).
 - Interior (no more than 2 images).
 - Situation shot to show the structure in the context of the property or within a block or street front (no more than 2 images).
- **Maps:** Include the following 8 ½ X 11 maps. **Each map** should clearly identify locality boundaries; major streets; highways (label) and the targeted property. Please use GIS where available.
 - **Base map** outlining any or all of the following in which the targeted property is located: Revenue Sharing Area; State Enterprise Zone; Technology Zone; Designated Virginia Main Street district; Local Redevelopment or Conservation District (Code of Virginia Sec. 36-49 & 36-49.1); National, State, or Local Historic District; Local Spot Blight Removal Plan (Code of Virginia Sec. 36-49.1:1); Volume II Section 105.0 of the Virginia Uniform Statewide Building Code Enforcement Area (under Code of Virginia Sec. 36-105). Please outline and explain any other type of designated area or district.
 - **Zoning map or land use map** if the locality does not have zoning.

Property Description Sheet Example			
Name: (if applicable)	Old Fire Station		
Address:	1000 South Main Street		
Current Zoning	Commercial	Current Real Estate Assessment: \$25,000	
Original/Most Recent Use:	City fire station has been only use	Built: 1900	Vacant since: 2000
Size:	Square footage of structure: 3000	Number of floors: 2	Acreage of property: 1/8 acre
Building materials:	Brick with tar roof		
Ownership:	Owned by city's Industrial Development Authority; city will develop space in partnership with private investor		
Condition of: Roof	Partial roof collapse in 2001; interior has been exposed to elements since		
Exterior Walls	Half of back wall missing		
Foundation	Appears to be solid based on engineering assessment		
Interiors	Significant water damage and warping to floors; interior walls have collapsed		
Electrical HVAC Systems	Will need to be completely updated		
Plumbing	Appears to be serviceable; will need upgrade for new use		
Windows	10 windows; entire window frames removed from all		
Outbuildings/ Site	3 small wooden sheds; site is overgrown and has accumulated trash		
Other descriptors	The structure had a cinder block addition off the north side of the building		
Intended Use of ISR Funds: (See Program Design)	Demolish sheds; remove cinder block addition; complete rehabilitation/reuse of structure		
Intended End Use of Property:	Restaurant and meeting space		

Match Use Chart

The intent of the IRF money is to help fill a financing gap that has prevented the re-use and/or redevelopment of vacant and blighted industrial property. As such, applicants are required to provide at least a 100 percent local match (from private or public sources). Local match greater than 100 percent will increase the application's score.

Local match must either be cash or documented costs that are directly associated with the work being done on the property where IRF funds are expended. Local match may also include federal (including CDBG), local or private funds spent on or after July 1, 2013, on activities directly related to the targeted project. Match requirements are discussed on Page 2.

Required Match Example		
Source of Matching Fund	Amount of Matching Fund	Status of Matching Fund
Industrial Development Authority	\$100,000	May 1, 2011 Resolution; Attachment A
CDBG Site Redevelopment Funds	\$450,000	May 1, 2011 Award Letter; Attachment B
Industrial Development Authority	\$27,500	Staff hours will be documented on a monthly basis and submitted as part of drawdown request
Industrial Development Authority	\$50,000	Repaving parking lot July 1, 2010, Paid invoice Attachment C
TOTAL	\$600,027.50	

Additional Project Info

Attach as available. The more information provided at the time of application, the greater the evidence that the project is "ready to proceed". In addition the more information provided upfront, the sooner the project can get underway if awarded funding. DHCD may require further information.

- Project pro-forma; should include requested amount of IRF funding and underlying assumptions. Use loan assumptions found on page 2.
- Resume on developer/principals
- Financial statements within last 12 months on project principals and global cash flow statement on R/E holdings
- Latest market feasibility study/feasibility study showing demand for new use
- Proof of recent Phase II environmental
- Proof of property zoning/re-zoning or specific timeline by which that will be accomplished
- Letters of interest/term sheets from primary funder(s)

SCORING

Funds will be allocated through a competitive process that will give greater priority to projects leading to the efficient and immediate redevelopment and/or reuse of abandoned “industrial” structures. Applications will be evaluated according to a scoring system and projects will be selected for funding on the basis of the higher scores in descending order until all funds are allocated. Scoring criteria and point allocation will be as follows:

Relationship to Economic Development Strategy	20%
Project Identification and Description	20%
Readiness, End Use Plans and Impact	30%
Distress Factor	20%
Match	10%
TOTAL	100%

A strong application will be able to document that the project is **ready-to-go, but could not be finished without the injection of the IRF funds.**

Successful applicants will be **required to sign a contract/performance agreement** committing them to the economic outcomes, property use, fund use and match outlined in approved application and any pre-contract/performance agreement negotiations.

Performance Agreements & Contractual Obligations

All applications, contracts and agreements are subject to negotiation with DHCD.

All approved projects will be committed to a project completion date of 18 months from contract execution/loan closing, by which all activities must be completed and drawdown requests/loan disbursements submitted to DHCD/VCC. Any project that receives funding and does not use all of its designated funds by the project completion date specified in its contract/loan award may lose the remaining fund balance.

Substantial Project Changes after Application Submittal

DHCD reserves the right to rescind the funding offer if substantial changes to the project scope and/or financing needs occur after application submittal. DHCD will be concerned of the impact of such on project cash flow, project timing, need for IRF funding, intent of the IRF program, and projected outcomes as outlined in the original application. To maintain consideration for IRF funding, substantial changes to project scope and/or budget will require applicants to provide DHCD with an updated description of the project including:

- Description of changes
- Updated sources & uses of funds
- Updated pro-forma
- Additional letters of interest
- Project-related commitments
- Updated management plans & operation agreements

TIMETABLE

How-to-Apply Workshops: (register online at www.dhcd.virginia.gov/irf)

7/9/14	Abingdon	1 – 3 p.m.	Southwest Virginia Higher Education Center
7/11/14	Newport News	10 a.m. – 12 p.m.	City Center at Oyster Point
7/15/14	Farmville	2 – 4 p.m.	Longwood University

Register your Organization in CAMS	<u>ASAP</u>
Submittal Deadline	<u>October 31, 2014</u>
Application Review	November 2014
Anticipated Qualification Announcement	Winter 2014



CONTACT

For more information on the IRF program please contact:



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APPENDIX A: DISTRESS SCORES

Pre-calculated Distress Scores for Cities and Counties

Localities Meeting All Distress Measures = 20 Application Points			
Brunswick County	Galax (City)	Lee County	Prince Edward County
Buchanan County	Grayson County	Lexington (City)	Richmond County
Danville (City)	Greensville County	Martinsville (City)	Russell County
Dickenson County	Halifax County	Mecklenburg County	Smyth County
Emporia (City)	Henry County	Norton (City)	Wise County
Franklin (City)	Hopewell (City)	Petersburg (City)	
Localities Meeting Two Distress Measures = 10 Application Points			
Accomack County	Covington (City)	Nottoway County	Scott County
Bristol (City)	Harrisonburg (City)	Page County	Sussex County
Buckingham County	Lunenburg County	Patrick County	Tazewell County
Buena Vista (City)	Lynchburg (City)	Portsmouth (City)	Williamsburg (City)
Carroll County	Montgomery County	Radford (City)	
Charlotte County	Norfolk (City)	Richmond (City)	
Charlottesville (City)	Northampton County	Roanoke (City)	
Localities Meeting One Distress Measures = 5 Application Points			
Bland County	Essex County	Pulaski County	Winchester (City)
Campbell County	Floyd County	Staunton (City)	Wythe County
Craig County	Highland County	Washington County	
Cumberland County	Pittsylvania County	Westmoreland County	
No Distress Measures Met = Zero Application Points			
Albemarle County	Dinwiddie County	King and Queen County	Prince George County
Alexandria (City)	Fairfax (City)	King George County	Rappahannock County
Alleghany County	Fairfax County	King William County	Roanoke County
Amelia County	Falls Church (City)	Lancaster County	Rockingham County
Amherst County	Fauquier County	Loudoun County	Rockbridge County
Appomattox County	Fluvanna County	Louisa County	Salem (City)
Arlington County	Franklin County	Madison County	Shenandoah County
Augusta County	Frederick County	Manassas (City)	Southampton County
Bath County	Fredericksburg (City)	Manassas Park (City)	Spotsylvania County
Bedford County	Giles County	Mathews County	Stafford County
Botetourt County	Gloucester County	Middlesex County	Suffolk (City)
Caroline County	Goochland County	Nelson County	Surry County
Charles City County	Greene County	New Kent County	Virginia Beach (City)
Chesapeake (City)	Hampton (City)	Newport News (City)	Warren County
Chesterfield County	Hanover County	Northumberland County	Waynesboro (City)
Clarke County	Henrico County	Orange County	York County
Colonial Heights (City)	Isle of Wight County	Poquoson (City)	
Culpeper County	James City County	Powhatan County	

Sources: Virginia Employment Commission: Local Area Unemployment Statistics and US Census Bureau: Small Area Income and Poverty Estimates

Calculations by Census Tract for Towns

Towns may opt to use the distress score of their county or choose to calculate their score themselves by Census Tract. A town will want to go with whichever method shows the greatest level of distress. Use the sources below to access data to answer the following three questions regarding distress indicators. Localities will receive points for each of the three distress measures they meet. If no distress criteria are met, the distress score will be zero out of 20 possible points.

Indicators of Distress for Towns

1. **What is the town's percent of population living in Poverty?**
 - a. Source: [US Census Bureau 2012 Estimates](#)
 - b. 150 percent of the state's poverty rate is: 17.7%
2. **What is the town's median income per household?**
 - a. Source: [US Census Bureau 2012 Estimates](#)
 - b. 70 percent of the state's median household income: \$43,247
3. **What is the town's average unemployment rate?**
 - a. Source: [VEC Local Area Unemployment Statistics 2013 Estimates](#)
 - b. 150 percent of the state's average unemployment rate: 8.25%